

OFFICE OF RESEARCH AND REPORTS

20 May 1954

Office Notice R17-54

SUBJECT: Call for Budget Estimates -- Fiscal Year 1956

1. CIA Notice 35-200-3 and DD/I Notice 35-200-2 set forth requirements, policies, and criteria to be used as guides for the preparation of Budget Estimates for Fiscal Year 1956. Each area, division, and major staff chief is requested to review these notices preparatory to formulation of estimates and accompanying justification for his component.

2. The Office is required to provide three submissions:

a. Operating Budget. This presentation will reflect any significant shifts within the funds approved by Congress. It represents a later look at the application of approved funds within which ORR must operate in F.Y. 1955.

b. Office Estimates. The Office Estimate consists of an analysis by ORR of the proposed activity programs together with estimates of related budgetary requirements for F.Y. 1956 based upon the approved operating budget for F.Y. 1955.

c. Agency Estimates. The Agency Estimate is a detailed presentation, incorporating the necessary justification to support activity programs submitted in the Office Estimates and approved by the Director of Central Intelligence. These estimates will subsequently be presented to the Bureau of the Budget and Congress.

3. The DD/I has issued a policy with respect to the preparation of Office Estimates. This policy reads as follows:

"The Office Estimates for Fiscal Year 1956 should reflect no expansion of existing activities over the 1955 planned level of operations or provision for any new activities unless, after careful review, the work is determined to be of such an urgent and essential character that it cannot be deferred. As a general policy any proposed increase should meet one of the following three criteria.

(1) Represents a new activity which must be undertaken in Fiscal Year 1956 and which cannot be absorbed within the level of operations planned for Fiscal Year 1955;

(2) Necessary to meet expanded requirements under a new activity initiated in Fiscal Year 1954 or planned for initiation in Fiscal Year 1955;

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(3) Required to eliminate serious backlogs or deficiencies in an existing activity. In such instances the requirements must be of such an urgent character that the provision of additional resources cannot be deferred beyond Fiscal Year 1956."

4. The operating budget for F.Y. 1955 will be prepared by St/A for review by the AD/RR and Area Chiefs. Area, division, and OAD staff chiefs will make only one submittal to provide the information required to develop the Office and Agency Estimates as defined in paragraph 2 above. On the basis of this submittal, St/A will assume the responsibility for fulfilling Agency requirements. Accordingly, Budget Estimates for F.Y. 1956 are to be prepared as appropriate by area office, divisions, and OAD staffs in an original and two copies, in accordance with general instructions listed below, and submitted through command channels to the Chief, Administrative Staff, to be received in St/A no later than c.o.b. 4 June 1954. Vouchered and unvouchered estimates are to be submitted separately.

a. Estimates are to be prepared in accordance with the following outline:

(1) St/A will provide necessary computations for OI costs based upon existing ceilings, and no submittals on existing T/O positions are required. Any component which is convinced that it has adequate justification to support an increase in its T/O strength for F.Y. 1956 under the policy laid down by the DD/I, as quoted in paragraph 3, should discuss this increase with his Area Chief.

(2) Consultant requirements by number of days on duty, with a general breakdown and justification.

(3) Justification for IAC personnel.

(4) A presentation of estimated needs (note DD/I policy, paragraph 3 above) by Object Class 02 through 09 (see CIA Notice 35-200-3 for explanation of Object Classes) with detailed justification for each class. (See Exhibits 1 and 2 for format.)

NOTE: While necessary external research is encouraged, special care should be taken to assure that it is properly explained and justified. This presentation should include data relative to existing external research projects, known external research projects for F.Y. 1955, and projected or anticipated projects for F.Y. 1955 and 1956.

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(5) A brief statement of major accomplishments and significant developments during F.Y. 1954. This presentation should consist of a concise quantitative and qualitative statement of accomplishments which should include supporting statistical data and a brief narrative emphasizing the importance of the activity and of outstanding projects completed or underway. This, in effect, is intended to constitute a justification for your entire component's work.

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and consequently should employ basic authoritative references, if applicable. Attention should be given to including a description of the character and degree of direct support given to other components within and outside CIA.

✓ (6) A brief statement of objectives for F.Y. 1955. This should be prepared after reviewing the F.Y. 1955 presentation, amending that statement to include developments during the past year. The Fiscal Year 1955 presentation relating to each component is available in St/A -- Mr. Yager, 1104 M.

✓ (7) A statement setting forth the general program outlook for F.Y. 1956.

5. The Chief, Administrative Staff, will be available for consultation and assistance as necessary.

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Research and Reports

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